

Gafisa S.A.
Form 6-K
July 11, 2008

(A free translation of the original in Portuguese)

**FEDERAL GOVERNMENT SERVICE
BRAZILIAN SECURITIES COMMISSION (CVM)
QUARTERLY INFORMATION - ITR
TYPE OF COMPANY: COMMERCIAL, INDUSTRIAL AND OTHER**

**Unaudited
Corporate Legislation
March 31, 2008**

GAFISA S.A.

CNPJ/MF No. 01.545.826/0001-07
NIRE 35.300.147.952

Publicly-Held Company

1Q08 Information
(Free translation of the original in Portuguese)

(A free translation of the original in Portuguese)

**FEDERAL GOVERNMENT SERVICE
BRAZILIAN SECURITIES COMMISSION (CVM)
QUARTERLY INFORMATION - ITR
TYPE OF COMPANY: COMMERCIAL, INDUSTRIAL AND OTHER**

**Unaudited
Corporate Legislation
March 31, 2008**

**REGISTRATION WITH CVM SHOULD NOT BE CONSTRUED AS AN EVALUATION OF THE
COMPANY.
COMPANY MANAGEMENT IS RESPONSIBLE FOR THE INFORMATION PROVIDED.**

01.01 - IDENTIFICATION

1 - CVM CODE 01610-1	2 - COMPANY NAME GAFISA S/A	3 - CNPJ (Federal Tax ID) 01.545.826/0001-07
--------------------------------	---------------------------------------	--

4 - NIRE (State Registration Number)

01.02 - HEAD OFFICE

1 - ADDRESS Av. das Nações Unidas, 8501 - 19o. andar	2 - DISTRICT Pinheiros			
3 - ZIP CODE 05425-070	4 - CITY São Paulo	5 - STATE SP		
6 - AREA CODE 011	7 - TELEPHONE 3025-9000	8 - TELEPHONE 3025-9168	9 - TELEPHONE 3025-9191	10 - TELEX
11 - AREA CODE 011	12 - FAX 3025-9217	13 - FAX 3025-9121	14 - FAX 3025-9217	
15 - E-MAIL				

01.03 - INVESTOR RELATIONS OFFICER (Company Mailing Address)

1- NAME Alceu Duilio Calciolari				
2 - ADDRESS Av. das Nações Unidas, 8501 - 19o. andar	3 - DISTRICT Pinheiros			
4 - ZIP CODE 05425-070	5 - CITY São Paulo	6 - STATE SP		
7 - AREA CODE 011	8 - TELEPHONE 3025-9000	9 - TELEPHONE 3025-9168	10 - TELEPHONE 3025-9121	11 - TELEX
12 - AREA CODE 011	13 - FAX 3025-9121	14 - FAX 3025-9217	15 - FAX 3025-9041	

16 - E-MAIL

dcalciolari@gafisa.com.br

01.04 - ITR REFERENCE AND AUDITOR INFORMATION

CURRENT YEAR			CURRENT QUARTER			PREVIOUS QUARTER		
1 - BEGINNING	2 - END	3 - QUARTER	4 - BEGINNING	5 - END	6 - QUARTER	7 - BEGINNING	8 - END	
1/1/2008	12/31/2008	1	1/1/2008	3/31/2008	4	10/1/2007	12/31/2007	
09 - INDEPENDENT ACCOUNTANT						10 - CVM CODE		
Pricewaterhouse Coopers Auditores Independentes						00287-9		
11 - PARTNER IN CHARGE						12 - PARTNER'S CPF (INDIVIDUAL TAXPAYER'S REGISTER)		
Eduardo Rogatto Luque						142.773.658-84		

2

(A free translation of the original in Portuguese)

FEDERAL GOVERNMENT SERVICE
BRAZILIAN SECURITIES COMMISSION (CVM)
QUARTERLY INFORMATION - ITR
TYPE OF COMPANY: COMMERCIAL, INDUSTRIAL AND OTHER

Unaudited
Corporate Legislation
March 31, 2008

01.01 - IDENTIFICATION

1 - CVM CODE 2 - COMPANY NAME 3 - CNPJ (Federal Tax ID)
01610-1 GAFISA S/A 01.545.826/0001-07

01.05 - CAPITAL STOCK

Number of Shares (in thousands)	1 - CURRENT QUARTER 2 - PREVIOUS QUARTER		3 - SAME QUARTER, PREVIOUS YEAR
	3/31/2008	12/31/2007	3/31/2007
Paid-in Capital			
1 - Common	132,588	132,577	131,769
2 - Preferred	0	0	0
3 - Total	132,588	132,577	131,769
Treasury shares			
4 - Common	3,125	3,125	3,125
5 - Preferred	0	0	0
6 - Total	3,125	3,125	3,125

01.06 - COMPANY PROFILE

1 - TYPE OF COMPANY
Commercial, Industrial and Other
2 - STATUS
Operational
3 - NATURE OF OWNERSHIP
National Private
4 - ACTIVITY CODE
1110 - Civil Construction, Constr. Mat. and Decoration
5 - MAIN ACTIVITY
Real Estate Development
6 - CONSOLIDATION TYPE
Full
7 - TYPE OF REPORT OF INDEPENDENT AUDITORS
Unqualified

01.07 - COMPANIES NOT INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENTS

1 - ITEM 2 - CNPJ (Federal Tax ID) 3 - COMPANY NAME

01.08 - CASH DIVIDENDS APPROVED AND/OR PAID DURING AND AFTER THE QUARTER

1 - ITEM 2 - EVENT 3 - APPROVAL 4 - TYPE 5 - DATE OF PAYMENT 6 - TYPE OF SHARE 7 - AMOUNT PER

(A free translation of the original in Portuguese)

**FEDERAL GOVERNMENT SERVICE
BRAZILIAN SECURITIES COMMISSION (CVM)
QUARTERLY INFORMATION - ITR
TYPE OF COMPANY: COMMERCIAL, INDUSTRIAL AND OTHER**

**Unaudited
Corporate Legislation
March 31, 2008**

01.01 - IDENTIFICATION

1 - CVM CODE	2 - COMPANY NAME	3 - CNPJ (Federal Tax ID)
01610-1	GAFISA S/A	01.545.826/0001-07

01.09 - SUBSCRIBED CAPITAL AND CHANGES IN THE CURRENT YEAR

1 - ITEM	2 - DATE OF CHANGE	3 - CAPITAL STOCK (IN THOUSANDS OF REAIS)	4 - AMOUNT OF CHANGE (IN THOUSANDS OF REAIS)	5 - NATURE OF CHANGE	7 - NUMBER OF SHARES ISSUED (THOUSANDS)
----------	--------------------	--	---	----------------------	---

01.10 - INVESTOR RELATIONS OFFICER

1 - DATE	2 - SIGNATURE
05/05/2008	

Edgar Filing: Gafisa S.A. - Form 6-K

1.02.02	Permanent Assets	702,910	614,786
1.02.02.01	Investments	686,306	599,466
1.02.02.01.01	Interest in direct and indirect associated companies	0	0
1.02.02.01.02	Interest in associated companies - goodwill	0	0
1.02.02.01.03	Interest in Subsidiaries	480,722	392,066
1.02.02.01.04	Interest in Subsidiaries - goodwill	205,584	207,400
1.02.02.01.05	Other Investments	0	0

5

(A free translation of the original in Portuguese)

**FEDERAL GOVERNMENT SERVICE
 BRAZILIAN SECURITIES COMMISSION (CVM)
 QUARTERLY INFORMATION - ITR
 TYPE OF COMPANY: COMMERCIAL, INDUSTRIAL AND OTHER**

**Unaudited
 Corporate Legislation
 March 31, 2008**

01.01 - IDENTIFICATION

1 - CVM CODE	2 - COMPANY NAME	3 - CNPJ (Federal Tax ID)
01610-1	GAFISA S/A	01.545.826/0001-07

02.01 - BALANCE SHEET - ASSETS (in thousands of Brazilian reais)

1 - CODE	2 - DESCRIPTION	3 - 3/31/2008	4 - 12/31/2007
1.02.02.02	Property and equipment	12,110	11,189
1.02.02.03	Intangible assets	4,494	4,131
1.02.02.04	Deferred charges	0	0

(A free translation of the original in Portuguese)

**FEDERAL GOVERNMENT SERVICE
BRAZILIAN SECURITIES COMMISSION (CVM)
QUARTERLY INFORMATION - ITR
TYPE OF COMPANY: COMMERCIAL, INDUSTRIAL
AND OTHER**

**Unaudited
Corporate Legislation
March 31, 2008**

01.01 - IDENTIFICATION

1 - CVM CODE	2 - COMPANY NAME	3 - CNPJ (Federal Tax ID)
01610-1	GAFISA S/A	01.545.826/0001-07

02.02 - BALANCE SHEET - LIABILITIES AND SHAREHOLDERS' EQUITY (in thousands of Brazilian reais)

1 - CODE	2 - DESCRIPTION	3 - 3/31/2008	4 - 12/31/2007
2	Total Liabilities	3,280,921	2,779,606
2.01	Current Liabilities	682,792	628,555
2.01.01	Loans and Financing	45,343	37,759
2.01.02	Debentures	2,312	9,190
2.01.03	Suppliers	79,669	57,417
2.01.04	Taxes, charges and contributions	48,445	47,767
2.01.04.01	PIS Contribution	14,203	13,321
2.01.04.02	COFINS Contribution	29,296	25,767
2.01.04.03	Installment payment of PIS and COFINS	3,241	3,195
2.01.04.04	Other taxes and contributions payable	1,705	5,484
2.01.05	Dividends Payable	26,981	26,981
2.01.06	Provisions	1,086	3,668
2.01.06.01	Provision for Contingencies	1,086	3,668
2.01.07	Accounts payable to related parties	0	0
2.01.08	Other	478,956	445,773
2.01.08.01	Real estate development obligations	0	0
2.01.08.02	Obligations for purchase of land	148,292	124,163
2.01.08.03	Payroll, profit sharing and related charges	22,276	27,336
2.01.08.04	Advances from customers - development and services	9,860	12,275
2.01.08.05	Other liabilities	298,528	281,999
2.02	Non Current Liabilities	1,025,595	620,288
2.02.01	Long-term liabilities	997,176	589,052
2.02.01.01	Loans and Financing	579,849	245,772
2.02.01.02	Debentures	240,000	240,000
2.02.01.03	Provisions	0	0
2.02.01.04	Accounts payable to related parties	0	0
2.02.01.05	Advance for future capital increase	0	0
2.02.01.06	Other	177,327	103,280
2.02.01.06.01	Real estate development obligations	0	0
2.02.01.06.02	Obligations for purchase of land	111,457	50,071
2.02.01.06.03	Unearned income from property sales	0	0
2.02.01.06.04	Deferred income tax and social contribution	55,888	42,501
2.02.01.06.05	Other liabilities	9,982	10,708
2.02.02	Deferred income	28,419	31,236

Edgar Filing: Gafisa S.A. - Form 6-K

2.04	Shareholders' equity	1,572,534	1,530,763
2.04.01	Paid-in capital	1,203,921	1,203,796
2.04.01.01	Capital	1,221,971	1,221,846
2.04.01.02	Treasury shares	(18,050)	(18,050)
2.04.02	Capital Reserves	167,276	167,276

7

(A free translation of the original in Portuguese)

**FEDERAL GOVERNMENT SERVICE
BRAZILIAN SECURITIES COMMISSION (CVM)
QUARTERLY INFORMATION - ITR
TYPE OF COMPANY: COMMERCIAL, INDUSTRIAL
AND OTHER**

**Unaudited
Corporate Legislation
March 31, 2008**

01.01 - IDENTIFICATION

1 - CVM CODE	2 - COMPANY NAME	3 - CNPJ (Federal Tax ID)
01610-1	GAFISA S/A	01.545.826/0001-07

02.02 - BALANCE SHEET - LIABILITIES AND SHAREHOLDERS' EQUITY (in thousands of Brazilian reais)

1 - CODE	2 - DESCRIPTION	3 - 3/31/2008	4 - 12/31/2007
2.04.03	Revaluation reserves	0	0
2.04.03.01	Own assets	0	0
2.04.03.02	Subsidiaries/Direct and Indirect Associated Companies	0	0
2.04.04	Revenue reserves	159,691	159,691
2.04.04.01	Legal	15,585	15,585
2.04.04.02	Statutory	80,892	80,892
2.04.04.03	For Contingencies	0	0
2.04.04.04	Unrealized profits	0	0
2.04.04.05	Retained earnings	63,214	63,214
2.04.04.06	Special reserve for undistributed dividends	0	0
2.04.04.07	Other revenue reserves	0	0
2.04.05	Retained earnings/accumulated losses	41,646	0
2.04.06	Advances for future capital increase	0	0

8

(A free translation of the original in Portuguese)

**FEDERAL GOVERNMENT SERVICE
BRAZILIAN SECURITIES COMMISSION (CVM)
QUARTERLY INFORMATION - ITR
TYPE OF COMPANY: COMMERCIAL, INDUSTRIAL
AND OTHER**

**Unaudited
Corporate Legislation
March 31, 2008**

01.01 - IDENTIFICATION

1 - CVM CODE	2 - COMPANY NAME	3 - CNPJ (Federal Tax ID)
01610-1	GAFISA S/A	01.545.826/0001-07

03.01 - STATEMENT OF INCOME (in thousands of Brazilian reais)

1 - CODE	2 - DESCRIPTION	3 - 1/1/2008 to 3/31/2008	4 - 1/1/2008 to 3/31/2008	5 - 1/1/2007 to 3/31/2007	6 1/1/2007 to 3/31/2007
3.01	Gross Sales and/or Services	186,802	186,802	139,587	139,587
3.01.01	Real estate development and sales	185,446	185,446	137,320	137,320
3.01.02	Construction services rendered	1,356	1,356	2,267	2,267
3.02	Gross Sales Deductions	(5,775)	(5,775)	(7,258)	(7,258)
3.02.01	Taxes on services and revenues	(5,341)	(5,341)	(5,392)	(5,392)
3.02.02	Brokerage fee on sales	(434)	(434)	(1,866)	(1,866)
3.03	Net Sales and/or Services	181,027	181,027	132,329	132,329
3.04	Cost of Sales and/or Services	(120,486)	(120,486)	(93,089)	(93,089)
3.04.01	Cost of Real estate development	(120,486)	(120,486)	(93,089)	(93,089)
3.05	Gross Profit	60,541	60,541	39,240	39,240
3.06	Operating Expenses/Income	(10,459)	(10,459)	(50,454)	(50,454)
3.06.01	Selling Expenses	(16,497)	(16,497)	(9,530)	(9,530)
3.06.02	General and Administrative	(18,117)	(18,117)	(13,159)	(13,159)
3.06.02.01	Profit sharing	(2,088)	(2,088)	(1,974)	(1,974)
3.06.02.02	Other Administrative Expenses	(16,029)	(16,029)	(11,185)	(11,185)
3.06.03	Financial	7,405	7,405	(6,274)	(6,274)
3.06.03.01	Financial income	11,093	11,093	7,453	7,453
3.06.03.02	Financial Expenses	(3,688)	(3,688)	(13,727)	(13,727)
3.06.04	Other operating income	0	0	0	0
3.06.05	Other operating expenses	(1,409)	(1,409)	(35,487)	(35,487)
3.06.05.01	Depreciation and Amortization	(1,107)	(1,107)	(4,875)	(4,875)
3.06.05.02	Extraordinary Expenses	0	0	(30,174)	(30,174)
3.06.05.03	Other Operating expenses	(302)	(302)	(438)	(438)

(A free translation of the original in Portuguese)

**FEDERAL GOVERNMENT SERVICE
BRAZILIAN SECURITIES COMMISSION (CVM)
QUARTERLY INFORMATION - ITR
TYPE OF COMPANY: COMMERCIAL, INDUSTRIAL
AND OTHER**

**Unaudited
Corporate Legislation
March 31, 2008**

01.01 - IDENTIFICATION

1 - CVM CODE	2 - COMPANY NAME	3 - CNPJ (Federal Tax ID)
01610-1	GAFISA S/A	01.545.826/0001-07

03.01 - STATEMENT OF INCOME (in thousands of Brazilian Reais)

1 - CODE	2 - DESCRIPTION	3 - 1/1/2008 to 3/31/2008	4 - 1/1/2008 to 3/31/2008	5 - 1/1/2007 to 3/31/2007	6 1/1/2007 to 3/31/2007
3.06.06	Equity in results of investees	18,159	18,159	13,996	13,996
3.07	Operating profit (loss)	50,082	50,082	(11,214)	(11,214)
3.08	Total non-operating (income) expenses, net	0	0	0	0
3.08.01	Income	0	0	0	0
3.08.02	Expenses	0	0	0	0
3.09	Profit (loss) before taxes/profit sharing	50,082	50,082	(11,214)	(11,214)
3.10	Provision for income and social contribution taxes	(216)	(216)	0	0
3.11	Deferred Income Tax	(7,660)	(7,660)	(778)	(778)
3.12	Statutory Profit Sharing/Contributions	(560)	(560)	(560)	(560)
3.12.01	Profit Sharing	(560)	(560)	(560)	(560)
3.12.02	Contributions	0	0	0	0
3.13	Reversal of interest attributed to shareholders' Equity	0	0	0	0
3.15	Net Income (loss) for the Period	41,646	41,646	(12,552)	(12,552)
	NUMBER OF SHARES OUTSTANDING EXCLUDING TREASURY SHARES (in thousands)	129,463	129,463	128,644	128,644
	EARNINGS PER SHARE (<i>Reais</i>)	0.32168	0.32168		
	LOSS PER SHARE (<i>Reais</i>)			(0.09757)	(0.09757)

(A free translation of the original in Portuguese)

**FEDERAL PUBLIC SERVICE
CVM – BRAZILIAN SECURITIES
COMMISSION
ITR – Quarterly Information
COMMERCIAL, INDUSTRIAL AND
OTHER**

**Corporate Legislation
Base Date – March 31, 2008**

**Unaudited
01.545.826/0001-07**

01610-1 GAFISA S/A

04.01 – NOTES TO QUARTERLY INFORMATION

(In thousands of reais unless otherwise indicated)

1 Operations

Gafisa S.A. ("Gafisa" or the "Company") started its operations in 1997, with the objectives of: (a) promoting and managing all forms of real estate ventures on its own behalf or for third parties; (b) purchasing, selling and negotiating real estate properties in general, including provision of financing to real estate clients; (c) carrying out civil construction and civil engineering services; (d) developing and implementing marketing strategies related to its own or third party real estate ventures; and (e) investing in other Brazilian or foreign companies which have similar objectives as the Company's.

The Company's real estate development ventures with third parties are structured through investment in Special Purpose Entities (SPEs) or by forming condominiums and consortiums. Among its operations, the Company owns Gafisa Vendas Intermediação Imobiliária Ltda., a subsidiary real estate broker that is focused on the domestic sale and promotion of the ventures launched by the Company and its subsidiaries.

In an investment agreement and other covenants entered into on October 2, 2006 between Alphaville Participações S.A. ("Alphaville"), its shareholders ("Shareholders") and Gafisa S.A., the Company acquired 60% of the capital of Alphaville Urbanismo S.A. ("AUSA") (Note 3 (k)), a company whose core business is to identify, develop and sell residential condominiums throughout Brazil by means of subscription and purchase. The purchase commitment for the remaining 40% of AUSA's capital, which has not yet been measured and recorded in the Company's financial statements, will be determined by means of an economic and financial evaluation of AUSA based on: (i) consolidated balance sheets, and (ii) long-term discounted cash flow methodology, including the closing amount called "Company's Evaluation" to be realized at the time by independent experts.

In March 2007, the Company completed an initial public offer of stock on the New York Stock Exchange - NYSE, resulting in a capital increase of R\$ 487,813 with the issue of 18,761,992 common shares equivalent to 9,380,996 ADRs.

Also in March 2007, Gafisa started its operations in the lower income real estate market, concentrated in one of its subsidiaries, FIT Residencial Empreendimentos Imobiliários Ltda. ("FIT Residencial").

In October 2007, Gafisa completed the acquisition of 70% of Cipesa Engenharia S.A. ("Cipesa") (Note 3(k)), a real estate developer in the state of Alagoas.

(A free translation of the original in Portuguese)

**FEDERAL PUBLIC SERVICE
CVM – BRAZILIAN SECURITIES
COMMISSION
ITR – Quarterly Information
COMMERCIAL, INDUSTRIAL AND
OTHER**

**Corporate Legislation
Base Date – March 31, 2008**

**Unaudited
01.545.826/0001-07**

01610-1 GAFISA S/A

04.01 – NOTES TO QUARTERLY INFORMATION

Bairro Novo Empreendimentos Imobiliários S.A. ("Bairro Novo") was incorporated on March 26, 2007 by means of articles of association entered into by Gafisa S.A. and Odebrecht Empreendimentos Imobiliários Ltda., in accordance with which both companies share its control as a joint venture; Gafisa holds 50% and Odebrecht holds 50%. In November 2007, Bairro Novo launched, focused on the Brazilian lower income market, its first venture called "Bairro Novo Cotia".

2 Presentation of the Quarterly Information

This quarterly information was approved by the Board of Directors in their meeting held on April 29, 2008.

(a) Basis of presentation

The quarterly information is presented in conformity with the rules issued by the Brazilian Securities Commission (CVM) applicable to the preparation of the quarterly information (ITR).

The consolidated statements of cash flow were prepared according to Accounting Rules and Practices # 20 (NPC 20) of the Institute of Independent Auditors of Brazil (IBRACON).

In the preparation of the quarterly information, it is necessary to use estimates which affect assets and liabilities and other transactions during the reporting periods and the disclosure of contingent assets and liabilities at the date of the quarterly information. The quarterly information includes estimates that are used to determine certain items, including, among others, the estimated costs of the ventures, provisions required for the non-recovery of assets, provision for unrecognized credits related to deferred income tax and the recognition of contingent liabilities, the actual results of which may differ from the estimates.

(b) Consolidation practices

The consolidated quarterly information includes all subsidiaries, with separate disclosure of the participation of minority shareholders. In regard to the jointly-controlled investees, which are governed by a shareholders' agreement, the consolidation includes the assets, liabilities and income and expense accounts, proportionally to the total equity interest held in the capital of the corresponding investee (Note 8).

The intercompany balances and transactions, as well as the unrealized profits, were eliminated in the consolidation, including investments, current accounts, dividends receivable, revenues and expenses and unrealized results among the consolidated companies. Transactions and balances with related parties, shareholders and investees are reported in the corresponding notes.

(A free translation of the original in Portuguese)

**FEDERAL PUBLIC SERVICE
CVM – BRAZILIAN SECURITIES
COMMISSION
ITR – Quarterly Information
COMMERCIAL, INDUSTRIAL AND
OTHER**

**Corporate Legislation
Base Date – March 31, 2008**

**Unaudited
01.545.826/0001-07**

01610-1 GAFISA S/A

04.01 – NOTES TO QUARTERLY INFORMATION

3 Main Accounting Practices

The main accounting practices adopted in the preparation of the quarterly information are as follows:

(a) Recognition of results

(i) Calculation of the result from the development and sale of real estate

In the installment sales of completed units, the result is recognized when the sale is made, regardless of the term for receipt of the contractual price, provided that the following conditions are met: (a) the value thereof can be estimated, i.e. the receipt of the sale price is known or the sum that will not be received may be reasonably estimated, and (b) the process of recognition of the sales revenues is substantially completed, i.e. the Company is released from its obligation to perform a considerable part of its activities that will generate future expenses related to the sale of the finished unit.

In the sales of unfinished units, the procedures and rules established by Resolution 963 of the Federal Accounting Council - CFC were observed, namely:

- . The cost incurred (including the cost of land) corresponding to the units sold is fully appropriated to the result.
- . The percentage of the cost incurred in the units sold (including the land) is calculated in relation to the total estimated cost, and this percentage is applied on the revenues from units sold, adjusted pursuant to the conditions of the sales agreements, and on selling expenses, thus determining the amount of revenues and selling expenses to be recognized.
- . The amounts of sales revenues determined, including monetary correction, net of the installments already received, are accounted for as accounts receivable, or as advances from customers, when applicable.
 - . Interest and monetary variation on accounts receivable as from the delivery of the keys, are appropriated to the result from the development and sale of real estate using the accrual basis of accounting.
- . The financial charges on accounts payable from the acquisition of land and real estate credit operations incurred during the construction period are appropriated to the cost incurred, and recognized in results upon the sale of the units of the venture to which they are directly related.

(A free translation of the original in Portuguese)

**FEDERAL PUBLIC SERVICE
CVM – BRAZILIAN SECURITIES
COMMISSION
ITR – Quarterly Information
COMMERCIAL, INDUSTRIAL AND
OTHER**

**Corporate Legislation
Base Date – March 31, 2008**

**Unaudited
01.545.826/0001-07**

01610-1 GAFISA S/A

04.01 – NOTES TO QUARTERLY INFORMATION

The taxes on the difference between the revenues from real estate development and the accumulated revenues subject to tax are calculated and recognized in the books when the difference in revenues is recognized.

The other income and expenses, including advertising and publicity, are appropriated to the results as they are incurred using the accrual basis of accounting.

(ii) Supply of construction services

Revenues from the supply of real estate services consist basically of amounts received related to the management of construction work for third parties, technical management and management of real estate. The revenues are recognized, net of the corresponding costs incurred, as services are provided.

(b) Cash and banks and financial investments

Substantially represents bank deposit certificates and investment in investment funds, denominated in reais, with high market liquidity and maturity that does not exceed 90 days or in regard to which there are no penalties or other restrictions for the immediate redemption thereof.

They are stated at cost, plus the income earned up to the balance sheet date, with provisions recognized, when applicable, to reflect their market value.

On March 31, 2008 and December 31, 2007, the amount related to investment funds is recorded at market value.

(c) Customer accounts receivable

These are stated at cost, plus monetary correction. The allowance for doubtful accounts, when necessary, is recognized in an amount that is considered sufficient by management to cover probable losses on the realization of credits. The outstanding installments are adjusted based on the National Civil Construction Index - INCC during the construction phase, and on the General Market Prices Index - IGP/M after the date the keys of the finished units are delivered. The balance of the accounts receivable (after the keys) is generally adjusted by annual interest of 12%. The financial revenues based on the balance of the accounts receivable is recorded in the results as "Revenues from developments", and the interest recognized on March 31, 2008 and December 31, 2007 totals R\$ 3,312 and R\$ 9,164 (Parent Company) and R\$ 7,990 and R\$ 20,061 (Consolidated), respectively.

(A free translation of the original in Portuguese)

**FEDERAL PUBLIC SERVICE
CVM – BRAZILIAN SECURITIES
COMMISSION
ITR – Quarterly Information
COMMERCIAL, INDUSTRIAL AND
OTHER**

**Corporate Legislation
Base Date – March 31, 2008**

**Unaudited
01.545.826/0001-07**

01610-1 GAFISA S/A

04.01 – NOTES TO QUARTERLY INFORMATION

(d) Certificates of real estate receivables - CRIs

The Company financially assigns real estate receivables to securitize and issue CRIs. Such assignment (usually without recourse) is registered as a reduction of the accounts receivable after the date of the delivery of the keys of the corresponding real estate units that make up the CRIs portfolio (prior to the delivery of the keys, as a financial obligation) - representing the gross amount of the credits assigned. When there is recourse against the Company, the assigned accounts receivable is maintained in the balance sheet.

The financial discount, which represents the difference between the amount received and the credit at the date of the assignment, is appropriated to the results in the financial expenses account over the term of validity of the contract.

The expenses with commissions paid to the issuer of the CRIs are recognized directly in the results as they are incurred on the accrual basis.

The financial guarantees, when a participation is acquired (subordinated CRI) and maintained to secure the receivables that were assigned, are recorded in the balance sheet in Long-term receivables at cost plus monetary correction.

(e) Properties for sale

These are stated at construction cost, which does not exceed net realizable value. In the case of real estate in progress, the portion in inventories corresponds to the cost incurred in units that have not yet been sold.

The cost comprises construction (materials, own or outsourced labor and other related items) and land, including financial charges appropriated to the venture as incurred during the construction phase.

Land is stated at cost of acquisition. The Company acquires part of the land through barter transactions where, in exchange for the land acquired, it undertakes to deliver (a) real estate units of developments in progress or (b) part of the sales revenues originating from the sale of the real estate units of the developments. The effective construction cost of the exchanged units is diluted in the other unsold units.

The Company capitalizes interest on the developments during the construction phase, due on the National Housing System and other credit lines that are used for financing the construction of developments (limited to the corresponding financial expense amount). The amount of interest capitalized in the balance of properties for sale on March 31, 2008 totals R\$ 20,822 (Parent Company) and R\$ 21,862 (Consolidated) (December 31, 2007 - R\$ 36,543 Parent Company and R\$ 36,686 Consolidated).

(A free translation of the original in Portuguese)

**FEDERAL PUBLIC SERVICE
CVM – BRAZILIAN SECURITIES
COMMISSION
ITR – Quarterly Information
COMMERCIAL, INDUSTRIAL AND
OTHER**

**Corporate Legislation
Base Date – March 31, 2008**

**Unaudited
01.545.826/0001-07**

01610-1 GAFISA S/A

04.01 – NOTES TO QUARTERLY INFORMATION

(f) Deferred selling expenses

These include expenses related to costs of construction and maintenance of sales stands, mock-up apartments and corresponding furniture, as well as expenses with related brokerage incurred by the Company (the charges related with the sale commission due by the real estate buyer are not income or expenses of the Company).

The balance is amortized as selling expenses (stands, mock-up apartments and corresponding furniture) or deductions from gross sales (brokerage), following the same criteria adopted for the recognition of revenues from and costs of the units sold (Note 3(a)).

(g) Warranty Expenses

The Company provides limited warranties for five years, covering structural flaws in the developments sold. Given that the warranties for the work performed (responsibility and costs) are usually provided by the Company's subcontractors, the amounts paid by the Company are not significant and, therefore, they have been recognized as they are effectively incurred.

(h) Prepaid expenses

Includes, among others, expenses with the issuance of debentures and shares, which were paid at the time of issue.

(i) Property and equipment

Stated at acquisition cost. Depreciation is calculated on the straight-line basis, based on the estimated useful life of the assets, as follows: (i) vehicles - 5 years; (ii) furniture, utensils and installations - 10 years; (iii) computer and software licenses - 5 years. Expenses related to the acquisition and development of computer systems are capitalized.

(j) Intangible assets

Intangible assets are mainly represented by preoperating expenses, expenses with reorganization and development of products and new markets and are amortized over a period of up to five (5) years as from the date they start being used.

(A free translation of the original in Portuguese)

**FEDERAL PUBLIC SERVICE
CVM – BRAZILIAN SECURITIES
COMMISSION
ITR – Quarterly Information
COMMERCIAL, INDUSTRIAL AND
OTHER**

**Corporate Legislation
Base Date – March 31, 2008**

**Unaudited
01.545.826/0001-07**

01610-1 GAFISA S/A

04.01 – NOTES TO QUARTERLY INFORMATION

(k) Investments in subsidiaries

(i) Net equity value

When the Company holds more than half of the voting capital of another company, the latter is considered a subsidiary company. In the investees in which the Company holds less than 50% of the voting capital, agreements ensure the veto power to the Company in decisions that significantly affect the business of the jointly-controlled company, thus ensuring to the Company a shared control.

Investments in subsidiaries are recorded using the equity method. According to this method, the Company's interest in the increase or decrease in the shareholders' equity of subsidiaries after acquisition as a result of the net income or loss for the period, or gains or losses in capital reserves or prior year adjustments, is recognized as operating income (or expenses). The variation in the percentage of the equity investment in subsidiaries is recognized as nonoperating income (or expenses).

The cumulative movements after the acquisitions are adjusted against the cost of the investment. Unrealized gains or transactions between the Company and its associated and subsidiary companies are eliminated in proportion to the Company's investment; unrealized losses are also eliminated unless the transaction indicates a permanent loss (impairment) of the transferred asset.

The Company's investments in subsidiaries include goodwill (net of accumulated amortization) upon acquisition. When the Company's interest in the losses of subsidiaries is equal to or higher than the amount invested, the Company recognizes additional losses as it assumes obligations, make payments on behalf of these companies or makes advances for future capital increase.

The cost of acquisition of a subsidiary company is calculated at the market value of the assigned assets, shares issued or liabilities assumed on the date of acquisition, plus the costs directly attributable to the acquisition. The amount of the cost of acquisition that exceeds the book value of the net assets of the acquired subsidiary is recorded as goodwill.

When necessary, the accounting practices of the subsidiary companies are changed to ensure consistency with the practices adopted by the Company.

(A free translation of the original in Portuguese)

**FEDERAL PUBLIC SERVICE
CVM – BRAZILIAN SECURITIES
COMMISSION
ITR – Quarterly Information
COMMERCIAL, INDUSTRIAL AND
OTHER**

**Corporate Legislation
Base Date – March 31, 2008**

**Unaudited
01.545.826/0001-07**

01610-1 GAFISA S/A

04.01 – NOTES TO QUARTERLY INFORMATION

(ii) Goodwill and negative goodwill on the acquisition of investments

The goodwill is determined upon the acquisition of or capital subscription in another company, represented by the acquisition cost of the investment that exceeds the equity value, calculated based on the percentage of acquisition or subscription over the amount of the shareholders' equity of the other company.

The goodwill is amortized in accordance with the economic basis that determined it over the estimated useful life of the asset on an exponential and progressive basis (limited to the total period of ten years) (Note 8(b)). An economic based negative goodwill is appropriated to the result as the assets are realized.

The Company's management determines the estimated useful life of the investment based on its evaluation of the related companies acquired upon acquisition, considering factors such as the stock of land, the ability to generate results from developments launched and/or to be launched in the future and other inherent factors. The goodwill that is not justified by economic bases is immediately recognized as a loss in the results for the year. The negative goodwill that is not justified by economic bases is recognized in the results only upon the disposal of the investment. The gain arising from negative goodwill based on general economic reasons is recognized in a way that is consistent with the respective expiry period of the related operating assets.

On the balance sheet date, the Company evaluates whether there are indications of a permanent loss (impairment). If there are such indications, an analysis is made to evaluate whether the book value of the goodwill may be totally recovered. If the book value exceeds the recoverable amount, the amount thereof is reduced.

In January 2007, the Company acquired the totality of the shares of Catalufa Participações Ltda. ("Catalufa") by exchanging shares that it owned in the amount of R\$134,029. At the same time, Catalufa, the main asset of which was the investment in AUSA, was merged into the Company based on its book value on the base date of the operation. As a result of this transaction, goodwill amounting to R\$ 163,441 was recorded based on expected future profitability to be amortized exponentially and progressively based on the estimated profit projected before income tax and social contribution of AUSA, determined on the accrual basis. In the quarter ended March 31, 2008, the Company amortized goodwill amounting to R\$ 1,503 arising from the acquisition of AUSA (quarter ended March 31, 2007 - N/A).

(A free translation of the original in Portuguese)

**FEDERAL PUBLIC SERVICE
CVM – BRAZILIAN SECURITIES
COMMISSION
ITR – Quarterly Information
COMMERCIAL, INDUSTRIAL AND
OTHER**

**Corporate Legislation
Base Date – March 31, 2008**

**Unaudited
01.545.826/0001-07**

01610-1 GAFISA S/A

04.01 – NOTES TO QUARTERLY INFORMATION

On October 26, 2007, Gafisa acquired 70% of Cipesa. Gafisa and Cipesa established a new company named "Cipesa Empreendimentos Imobiliários Ltda." ("Nova Cipesa") in which 70% of the capital will be held by Gafisa and 30% by Cipesa. Gafisa capitalized Nova Cipesa with R\$ 50,000 in cash and acquired shares of Cipesa in Nova Cipesa in the amount of R\$ 15,000 payable over the period of one year. Cipesa will be entitled to a variable portion of 2% of the Overall Sales (VGV) of the projects launched by Nova Cipesa until 2014, and this variable portion will have a maximum value of R\$ 25,000. As a result of this transaction, goodwill amounting to R\$ 40,686 was recorded based on expected future profitability to be amortized exponentially and progressively based on the estimated profit projected before income tax and social contribution of Nova Cipesa determined on the accrual basis. In the quarter ended March 31, 2008, the Company did not amortize goodwill arising from the acquisition of Cipesa as Nova Cipesa determined an operating loss in the period. Additionally, the amortization of the goodwill will take place as from 2009 pursuant to the criteria described above.

Until November 2007, the Company held an interest in some ventures together with Redevco do Brasil Ltda. by means of Special Purpose Entities (SPEs) that are proportionally consolidated, namely: Blue I (66.67%), Blue II (50%), Jardim Lorean (50%) and Sunplace (50%). In that month, the Company acquired the remaining part of the total interest in these SPEs for R\$ 40,000. As a result of this transaction, the Company determined negative goodwill amounting to R\$ 31,236 (Consolidated - R\$ 32,223, due to the fact that part of these SPEs was not directly acquired by the Company), justified by general economic reasons. The gain arising from this negative goodwill will be recognized in the result during the related period of operation of the SPEs that own the acquired ventures. On March 31, 2008, the balance of negative goodwill from this transaction is classified in the consolidated quarterly information as "Deferred income" in the amount of R\$ 28,419 (R\$ 31,236 on December 31, 2007) and R\$ 29,406 in the consolidated (R\$ 32,223 on December 31, 2007).

In the period ended March 31, 2008, the Company amortized negative goodwill amounting to R\$ 2,817 arising from the acquisition of these SPEs.

(l) Obligations for purchase of land

The obligations for purchase of land are recognized at the amounts corresponding to the obligations assumed in contracts. Subsequently, they are stated at the amortized cost, that is, plus charges and interest proportional to the period elapsed (pro rata temporis), when applicable.

The obligations related with the physical barter of land for units to be built are not recognized in the financial statements.

(m) Selling expenses

The selling expenses, including advertising and publicity, are allocated to the results as they are incurred on the accrual basis.

(A free translation of the original in Portuguese)

**FEDERAL PUBLIC SERVICE
CVM – BRAZILIAN SECURITIES
COMMISSION
ITR – Quarterly Information
COMMERCIAL, INDUSTRIAL AND
OTHER**

**Corporate Legislation
Base Date – March 31, 2008**

**Unaudited
01.545.826/0001-07**

01610-1 GAFISA S/A

04.01 – NOTES TO QUARTERLY INFORMATION

(n) Income tax and social contribution on net income

Income tax (25%) and social contribution on the net income (9%) are calculated based on their standard rates, which, together, total 34%. The deferred income tax is calculated over the totality of the temporary differences.

As allowed by tax regulations, certain subsidiaries and associated companies elected the presumed profit system. For these companies, the income tax basis is calculated at 8% (social contribution on net income at 12%) on gross revenues, to which the corresponding standard income and social contribution tax rates apply.

The deferred tax assets are recognized to the extent that future taxable income is available to be used to offset temporary differences based on the projections of future results that are prepared and based on internal guidelines and future economic scenarios that may, therefore, change.

The deferred income tax credits on accumulated tax losses do not expire, however, their offset in future years is limited to 30% of the taxable income for each year. The companies that opt for the presumed profit system may not offset tax losses of a period in subsequent years. Should the realization of deferred tax assets be unlikely, no amount is recorded (Note 14).

(o) Other current and long-term liabilities

These are stated at their known or payable value and are recorded on the accrual basis, plus, when applicable, the corresponding charges and monetary and exchange variations.

The workers' compensation liability, particularly related to the vacation charges and payroll, is provided for over the period of acquisition.

The Company and its subsidiaries do not have private pension plans or any retirement plan or benefits for employees after they leave the Company.

(p) Rate swap operations

The nominal amounts of the swap operations of currency, interest rates and indexes are not recorded in the balance sheet.

The Company has derivative instruments for the purposes of minimizing the risk of its exposure to the volatility of currencies, indexes and interest, with redemptions expected to take place in accordance with the maturity of the related liabilities denominated in foreign currency. These operations are measured at their cost based on the contractual conditions between the Company and third parties and their net results are recorded in financial income

(expenses).

20

(A free translation of the original in Portuguese)

**FEDERAL PUBLIC SERVICE
CVM – BRAZILIAN SECURITIES
COMMISSION
ITR – Quarterly Information
COMMERCIAL, INDUSTRIAL AND
OTHER**

**Corporate Legislation
Base Date – March 31, 2008**

**Unaudited
01.545.826/0001-07**

01610-1 GAFISA S/A

04.01 – NOTES TO QUARTERLY INFORMATION

Additionally, the Company holds derivative instruments in its portfolio of the financial investments of its investment funds that are stated at their respective market values.

In accordance with its treasury policies, the Company does not have or issue derivative financial instruments for purposes other than those of hedge.

(q) Stock option plans

The Company manages Stock Option Plans, the guidelines for structuring and implementation of which were approved by General Shareholders' Meetings (Note 13(b)). The grant of stock options to employees does not result in an expense for accounting purposes.

In 2007, 961,563 shares with no par value were subscribed and paid up by means of Subscription Lists signed by the respective beneficiaries of the Stock Options amounting to R\$ 8,262.

In the quarter ended March 31, 2008, 10,800 shares with no par value were subscribed and paid up by means of Subscription Lists signed by the respective beneficiaries of the Stock Options amounting to R\$ 125 (Note 13(a)).

(r) Profit sharing program for employees and officers

The Company has a plan of benefit for employees in the form of profit sharing and bonus plans, recognized in "General and administrative expenses", amounting to R\$ 3,592 in the consolidated on March 31, 2008 (March 31, 2007 - R\$ 2,551).

Additionally, the Company's By-laws establish the distribution of profits to officers (in an amount that does not exceed the lower of their annual compensation or 10% of the Company's net income), which is recognized as "Statutory profit sharing" in the amount of R\$ 560 on March 31, 2008 (March 31, 2007 - R\$ 560). The bonus system operates with three performance triggers, structured based on the efficiency of corporate targets, followed by business targets and finally individual targets.

(s) Earnings per share

Calculated considering the number of outstanding shares on the balance sheet date, net of treasury shares.

(t) Reclassifications

The Company reclassified the balance of the cancelled units to the revenues from real estate developments on March 31, 2007 for better presentation.

(A free translation of the original in Portuguese)

**FEDERAL PUBLIC SERVICE
CVM – BRAZILIAN SECURITIES
COMMISSION
ITR – Quarterly Information
COMMERCIAL, INDUSTRIAL AND
OTHER**

**Corporate Legislation
Base Date – March 31, 2008**

01610-1 GAFISA S/A

**Unaudited
01.545.826/0001-07**

04.01 – NOTES TO QUARTERLY INFORMATION**4 Cash and Banks and Financial Investments**

Type of operation	Parent Company		Consolidated	
	3/31/2008	12/31/2007	3/31/2008	12/31/2007
Cash and banks	27,098	16,806	47,614	79,590
Financial				
Investment fund (Fixed income)	431,800	295,079	449,106	304,981
Purchase and sale commitments	36,158	62,364	153,032	111,621
Bank Deposit Certificates - CDBs	29,653	17,489	66,017	18,338
Other, including derivative instruments	(2,189)	(1,075)	(2,336)	(1,153)
Unrealized gains with designated derivative, instruments, net (Note 15(a)(ii))	495,422	373,857	665,819	433,787
	8,952	1,070	8,952	1,070
Total	531,472	391,733	722,385	514,447

On March 31, 2008, the Bank Deposit Certificates include earned interest from 95.0% to 104% (December 31, 2007 - from 98.0% to 104%) of the Interbank Deposit Certificate (CDI) rate.

5 Trade Accounts Receivable from Developments and Services Rendered

	Parent Company		Consolidated	
	3/31/2008	12/31/2007	3/31/2008	2/31/2007
Total balance of ventures				
Current	334,035	314,417	607,668	524,818
Noncurrent	356,392	282,017	578,475	497,933
	690,427	596,434	1,186,143	1,022,751

The balance of accounts receivable from the units sold and not yet finished is not fully recognized in the quarterly information as their recording is limited to the portion of revenues accounted for (pursuant to the criteria described in Note 3(a)(i)), net of the amounts already received.

The consolidated balances of advances from customers, higher than the revenues recorded in the period, total R\$ 58,412 on March 31, 2008 (December 31, 2007 - R\$ 47,662) and are classified in "Advances from customers (development and services)."

The recognition of an allowance for doubtful accounts is not necessary in view of the history of no effective losses on these credits.

(A free translation of the original in Portuguese)

**FEDERAL PUBLIC SERVICE
CVM – BRAZILIAN SECURITIES
COMMISSION
ITR – Quarterly Information
COMMERCIAL, INDUSTRIAL AND
OTHER**

**Corporate Legislation
Base Date – March 31, 2008**

01610-1 GAFISA S/A

**Unaudited
01.545.826/0001-07**

04.01 – NOTES TO QUARTERLY INFORMATION

6	Properties for Sale				
		Parent Company		Consolidated	
	3/31/2008	12/31/2007	3/31/2008	12/31/2007	
Land	380,595	310,802	566,697	379,068	
Property under construction	323,999	267,728	514,747	503,417	
Finished units	16,240	14,203	74,808	41,826	
	720,834	592,733	1,156,252	924,311	
Current portion	604,415	470,235	1,015,020	774,908	
Noncurrent portion	116,419	122,498	141,232	149,403	

The Company has undertaken commitments to build bartered units for the acquisition of land, which are stated in the balance sheet as follows: (i) estimated construction cost of bartered units diluted in the other units sold (recorded in real estate development obligations); (ii) effective cost of construction of bartered units diluted in the other units unsold, recorded in property under construction.

7	Other Accounts Receivable				
		Parent Company		Consolidated	
	3/31/2008	12/31/2007	3/31/2008	12/31/2007	
Sundry current accounts (*)	358,466	312,253	48,543	17,928	
Advances to suppliers	15,040	14,585	21,389	22,197	
Assignment of credits	8,703	8,748	8,703	8,748	
Deferred PIS and COFINS	5,770	5,587	7,976	8,274	
Recoverable taxes	6,856	7,806	7,956	8,347	
Unreleased financing of customers	6,642	8,342	6,950	8,510	
Advances for future capital increase	84,903	90,888	6,703	10,350	
Values with brokers	594	606	365	840	
Other	9,517	11,026	24,620	16,726	
	496,491	459,841	133,205	101,920	

(*)The Company participates in the development of real estate ventures with other partners, directly or through related parties, based on the constitution of condominiums and/or consortiums. The management structure of these enterprises and the cash management are centralized in the leading company of the enterprise, which manages the construction schedule and budgets. Thus, the leader of the enterprise assures that the investments of the funds necessary are made and allocated as planned. The sources and use of resources of the venture are reflected in these balances, observing the respective participation percentage, which are not subject to adjustment or financial charges and do not have a predetermined maturity date. The average term of development and completion of the enterprises in which the resources are invested is three years. Other payables to partners of real estate ventures are presented separately.

(A free translation of the original in Portuguese)

**FEDERAL PUBLIC SERVICE
CVM – BRAZILIAN SECURITIES
COMMISSION
ITR – Quarterly Information
COMMERCIAL, INDUSTRIAL AND
OTHER**

**Corporate Legislation
Base Date – March 31, 2008**

01610-1 GAFISA S/A

**Unaudited
01.545.826/0001-07**

04.01 – NOTES TO QUARTERLY INFORMATION**8 Investments in Subsidiaries**

(a) The main information on the equity investments held are summarized below:

Investees		Interest		Shareholders' Equity		Net Income (loss) for the period	
		mar/08	dec/07	mar/08	dec/07	mar/08	dec/07
00008	Península SPE1 S/A	50.00%	50.00%	(1,159)	(1,390)	231	(427)
00010	Península SPE2 S/A	50.00%	50.00%	(860)	(955)	95	2,267
	Res. das Palmeiras						
00018	SPE Ltda-18	90.00%	90.00%	2,062	2,039	23	596
00040	Gafisa SPE 40 Ltda.	50.00%	50.00%	2,586	1,713	873	2,225
00042	Gafisa SPE 42 Ltda.	50.00%	50.00%	(96)	76	(63)	369
00044	Gafisa SPE 44 Ltda.	40.00%	40.00%	(596)	(534)	(62)	(533)
00046	Gafisa SPE 46 Ltda.	60.00%	60.00%	3,106	212	1,080	1,178
00047	Gafisa SPE 47 Ltda.	99.80%	99.80%	(19)	(18)	(1)	(18)
00048	Gafisa SPE 48 Ltda.	99.80%	99.80%	22,831	(718)	1,259	(718)
00049	Gafisa SPE 49 Ltda.	100.00%	100.00%	(1)	(1)	(1)	(2)
00053	Gafisa SPE 53 Ltda.	60.00%	60.00%	430	205	225	204
00055	Gafisa SPE 55 Ltda.	99.80%	99.80%	214	(4)	(1)	(5)
00059	Gafisa SPE 59 Ltda.	99.80%	99.80%	(1)	(1)	(0)	(2)
00064	Gafisa SPE 64 Ltda.	99.80%	99.80%	(22)	1	(22)	
00065	Gafisa SPE 65 Ltda.	99.80%	99.80%	(22)	1	(22)	
00067	Gafisa SPE 67 Ltda.	99.80%	99.80%	1	-	-	-
00068	Gafisa SPE 68 Ltda.	99.80%	99.80%	1	-	-	-
	Gafisa SPE 70 Ltda.						
00070	(Bairro Novo)	50.00%	50.00%	12,154	10,298	(3,544)	(1,902)
00072	Gafisa SPE 72 Ltda.	99.80%	99.80%	1	-	-	-
00073	Gafisa SPE 73 Ltda.	99.80%	99.80%	1	-	-	-
00074	Gafisa SPE 74 Ltda.	99.80%	99.80%	1	-	-	-
00076	Gafisa SPE 76 Ltda.	99.80%	99.80%	1	-	-	-
00077	Gafisa SPE 77 Ltda.	99.80%	99.80%	1	-	-	-
00078	Gafisa SPE 78 Ltda.	99.80%	99.80%	1	-	-	-
00079	Gafisa SPE 79 Ltda.	99.80%	99.80%	1	-	-	-
00087	Dv Bv SPE S/A - 87	50.00%	50.00%	(446)	(464)	18	(231)
00089	DV SPE S/A -89	50.00%	50.00%	1,673	1,658	15	695
00122	Gafisa SPE 22 Ltda.	100.00%	100.00%	4,468	4,314	155	250

Edgar Filing: Gafisa S.A. - Form 6-K

00129	Gafisa SPE 29 Ltda.	70.00%	70.00%	1,202	2,311	141	(2,532)
00132	Gafisa SPE 32 Ltda.	99.80%	99.80%	(335)	1	(337)	(0)
00134	Gafisa SPE 34 Ltda. (Fit Resid. Imob.)	100.00%	100.00%	33,315	(14,944)	(1,526)	(14,941)
00169	Gafisa SPE 69 Ltda.	99.80%	99.80%	1	-	-	-
00170	Gafisa SPE 70 Ltda.	99.80%	99.80%	1	-	-	-
00171	Gafisa SPE 71 Ltda.	99.80%	99.80%	1	-	-	-
00250	Gafisa SPE 50 Ltda.	80.00%	80.00%	526	(121)	646	(121)
00251	Gafisa SPE 251 Ltda.	90.00%	90.00%	9,772	8,387	1,385	1,602
00261	Gafisa SPE 61 Ltda.	99.80%	99.80%	1	-	-	-
00263	Gafisa SPE 63 Ltda.	100.00%	100.00%	-	-	-	-
00265	Cipesa - Holding	100.00%	100.00%	47,997	47,954	43	(1,359)
00760	Gafisa SPE 760 (Tiner Empr e Part.)	45.00%	45.00%	13,356	10,980	2,376	5,331
00763	Gafisa SPE 763 (O Bosque Empr. Imob.)	30.00%	30.00%	9,176	9,176	-	79
177700	Alta Vistta	50.00%	50.00%	125	(644)	769	(618)
177800	Dep. José Lages	50.00%	50.00%	(393)	(399)	6	(410)
177900	Sítio Jatiuca	50.00%	50.00%	(2,449)	(2,829)	380	(3,361)
178000	Spazio Natura	50.00%	50.00%	1,426	1,429	(3)	(28)
Ausa	Ausa	60.00%	60.00%	52,168	42,718	9,452	20,905
Franere	Parque das Águas	50.00%	50.00%	(7)	(281)	124	(280)
Franere	Parque das Árvores	50.00%	50.00%	264	(625)	471	(625)
Cyrela	Costa Maggiore	50.00%	50.00%	(425)	-	(435)	-
00300	UNIGAFISA - SCP	91.18%	0.00%	313,084	-	13,384	-
00036	Gafisa SPE 36 Ltda.	99.80%	99.80%	-	4,145	-	4,199
00038	Gafisa SPE 38 Ltda.	99.80%	99.80%	-	5,088	-	4,649
00041	Gafisa SPE 41 Ltda.	99.80%	99.80%	-	20,793	-	13,938
00043	Gafisa SPE 43 Ltda.	99.80%	99.80%	-	(3)	-	(2)
00045	Gafisa SPE 45 Ltda. (Gafisa Vendas)	99.80%	99.80%	-	(475)	-	(882)
00091	Vilagio de Panamby Trust - 91	50.00%	50.00%	-	5,587	-	1,664
00125	Gafisa SPE 25 Ltda.	100.00%	100.00%	-	14,904	-	419
00126	Gafisa SPE 26 Ltda.	100.00%	100.00%	-	121,767	-	(19)
00127	Gafisa SPE 27 Ltda.	100.00%	100.00%	-	15,160	-	1,215
00128	Gafisa SPE 28 Ltda.	99.80%	99.80%	-	(1,299)	-	(499)
00130	Gafisa SPE 30 Ltda.	99.80%	99.80%	-	15,923	-	8,026
00131	Gafisa SPE 31 Ltda.	99.80%	99.80%	-	22,507	-	761
00133	Gafisa SPE 33 Ltda.	100.00%	100.00%	-	11,256	-	1,696
00135	Gafisa SPE 35 Ltda.	99.80%	99.80%	-	2,671	-	2,719
00137	Gafisa SPE 37 Ltda.	99.80%	99.80%	-	8,512	-	2,661
00139	Gafisa SPE 39 Ltda.	99.80%	99.80%	-	5,693	-	4,432
77998	Diodon Participações	100.00%	100.00%	-	36,556	-	4,637
				525,115	408,329	27,136	57,204

(A free translation of the original in Portuguese)

FEDERAL PUBLIC SERVICE**CVM – BRAZILIAN SECURITIES****COMMISSION****ITR – Quarterly Information****COMMERCIAL, INDUSTRIAL AND****OTHER****Corporate Legislation****Base Date – March 31, 2008****Unaudited****01610-1 GAFISA S/A****01.545.826/0001-07****04.01 – NOTES TO QUARTERLY INFORMATION**

Investees		Interest		Investments		Equity in results	
		mar/08	dec/07	mar/08	dec/07	mar/08	dec/07
00008	Península SPE1 S/A	50.00%	50.00%	(579)	(695)	115	(213)
00010	Península SPE2 S/A	50.00%	50.00%	(430)	(478)	48	1,133
	Res. das Palmeiras						
00018	SPE Ltda-18	90.00%	90.00%	1,856	1,835	21	536
00040	Gafisa SPE 40 Ltda.	50.00%	50.00%	1,293	857	436	1,113
00042	Gafisa SPE 42 Ltda.	50.00%	50.00%	(48)	(17)	(31)	130
00044	Gafisa SPE 44 Ltda.	40.00%	40.00%	(238)	(214)	(25)	(213)
00046	Gafisa SPE 46 Ltda.	60.00%	60.00%	1,863	127	648	707
00047	Gafisa SPE 47 Ltda.	99.80%	99.80%	(20)	(18)	(1)	(18)
00048	Gafisa SPE 48 Ltda.	99.80%	99.80%	22,831	(716)	1,256	(716)
00049	Gafisa SPE 49 Ltda.	100.00%	100.00%	(2)	(1)	(1)	(2)
00053	Gafisa SPE 53 Ltda.	60.00%	60.00%	258	123	135	122
00055	Gafisa SPE 55 Ltda.	99.80%	99.80%	213	(4)	(1)	(5)
00059	Gafisa SPE 59 Ltda.	99.80%	99.80%	(2)	(1)	-	(2)
00064	Gafisa SPE 64 Ltda.	99.80%	99.80%	-	-	-	(1)
00065	Gafisa SPE 65 Ltda.	99.80%	99.80%	(22)	(1)	(22)	(2)
00067	Gafisa SPE 67 Ltda.	99.80%	99.80%	-	-	-	-
00068	Gafisa SPE 68 Ltda.	99.80%	99.80%	-	-	-	-
	Gafisa SPE 70 Ltda.						
00070	(Bairro Novo)	50.00%	50.00%	6,077	5,149	(1,772)	(951)
00072	Gafisa SPE 72 Ltda.	99.80%	99.80%	-	-	-	-
00073	Gafisa SPE 73 Ltda.	99.80%	99.80%	-	-	-	-
00074	Gafisa SPE 74 Ltda.	99.80%	99.80%	-	-	-	-
00076	Gafisa SPE 76 Ltda.	99.80%	99.80%	-	-	-	-
00077	Gafisa SPE 77 Ltda.	99.80%	99.80%	-	-	-	-
00078	Gafisa SPE 78 Ltda.	99.80%	99.80%	-	-	-	-
00079	Gafisa SPE 79 Ltda.	99.80%	99.80%	-	-	-	-
00087	Dv Bv SPE S/A - 87	50.00%	50.00%	(223)	(232)	9	(115)
00089	DV SPE S/A -89	50.00%	50.00%	837	829	7	347
00122	Gafisa SPE 22 Ltda.	100.00%	100.00%	4,468	4,314	77	250
00129	Gafisa SPE 29 Ltda.	70.00%	70.00%	841	1,618	99	(1,772)
00132	Gafisa SPE 32 Ltda.	99.80%	99.80%	(336)	1	(336)	-
	Gafisa SPE 34 Ltda.						
00134	(Fit Resid Imob.)	100.00%	100.00%	33,335	(14,974)	(1,526)	(14,975)
00169	Gafisa SPE 69 Ltda.	99.80%	99.80%	-	-	-	-
00170	Gafisa SPE 70 Ltda.	99.80%	99.80%	-	-	-	-

Edgar Filing: Gafisa S.A. - Form 6-K

00171	Gafisa SPE 71 Ltda.	99.80%	99.80%	-	-	-	-
00250	Gafisa SPE 50 Ltda.	80.00%	80.00%	420	(96)	517	(97)
	Gafisa SPE 251						
00251	Ltda.	90.00%	90.00%	8,794	7,548	1,247	1,504
00261	Gafisa SPE 61 Ltda.	99.80%	99.80%	-	-	-	-
00263	Gafisa SPE 63 Ltda.	100.00%	100.00%	-	(11)	-	(12)
00265	Cipesa - Holding	100.00%	100.00%	47,998	47,954	43	(1,359)
	Gafisa SPE 760						
00760	(Tiner Empr. e Part.)	45.00%	45.00%	6,010	4,941	1,069	2,399
	Gafisa SPE 763 (O						
	Bosque Empr.						
00763	Imob.)	30.00%	30.00%	2,753	2,753	-	24
177700	Alta Vistta	50.00%	50.00%	62	(322)	384	(309)
177800	Dep. José Lages	50.00%	50.00%	(196)	(199)	3	(205)
177900	Sítio Jatiuca	50.00%	50.00%	(1,225)	(1,415)	190	(1,680)
178000	Spazio Natura	50.00%	50.00%	713	714	(1)	(14)
Ausa	Ausa	60.00%	60.00%	31,302	25,631	5,692	12,543
Franere	Parque das Águas	50.00%	50.00%	(3)	(140)	62	(140)
Franere	Parque das Árvores	50.00%	50.00%	132	(312)	235	(312)
Cyrela	Costa Maggiore	50.00%	50.00%	(217)	-	(217)	-
00300	UNIGAFISA - SCP	91.18%	0.00%	308,663	-	9,799	-
00036	Gafisa SPE 36 Ltda.	99.80%	99.80%	-	4,136	-	4,190
00038	Gafisa SPE 38 Ltda.	99.80%	99.80%	-	5,078	-	4,640
00041	Gafisa SPE 41 Ltda.	99.80%	99.80%	-	20,752	-	13,910
00043	Gafisa SPE 43 Ltda.	99.80%	99.80%	-	(3)	-	(2)
	Gafisa SPE 45 Ltda.						
00045	(Gafisa Vendas)	99.80%	99.80%	-	(474)	-	(880)
	Vilagio de Panamby						
00091	Trust - 91	50.00%	50.00%	-	2,794	-	832
00125	Gafisa SPE 25 Ltda.	100.00%	100.00%	-	14,904	-	419
00126	Gafisa SPE 26 Ltda.	100.00%	100.00%	-	121,767	-	(19)
00127	Gafisa SPE 27 Ltda.	100.00%	100.00%	-	15,160	-	1,215
00128	Gafisa SPE 28 Ltda.	99.80%	99.80%	-	(1,297)	-	(498)
00130	Gafisa SPE 30 Ltda.	99.80%	99.80%	-	15,891	-	8,010
00131	Gafisa SPE 31 Ltda.	99.80%	99.80%	-	22,462	-	759
00133	Gafisa SPE 33 Ltda.	100.00%	100.00%	-	11,256	-	1,696
00135	Gafisa SPE 35 Ltda.	99.80%	99.80%	-	2,666	-	2,714
00137	Gafisa SPE 37 Ltda.	99.80%	99.80%	-	8,529	-	2,661
00139	Gafisa SPE 39 Ltda.	99.80%	99.80%	-	5,682	-	4,423
	Diodon						
77998	Participações	100.00%	100.00%	-	36,556	-	4,637
	Provision for loss						
	on investments			477,178	370,407	18,159	46,402
	Total investments			3,544	21,659	-	-
				480,722	392,066	18,159	46,402

(A free translation of the original in Portuguese)

**FEDERAL PUBLIC SERVICE
CVM – BRAZILIAN SECURITIES
COMMISSION
ITR – Quarterly Information
COMMERCIAL, INDUSTRIAL AND
OTHER**

**Corporate Legislation
Base Date – March 31, 2008**

01610-1 GAFISA S/A

**Unaudited
01.545.826/0001-07**

04.01 – NOTES TO QUARTERLY INFORMATION

(b) Goodwill on the acquisition of subsidiaries

				2008
	Amortization criteria	Cost	Accumulated amortization	Balance
AUSA	Exponential and progressive	163,441	(1,503)	161,938
Cipesa	Exponential and progressive	40,686		40,686
Other		3,321	(361)	2,960
Total goodwill		207,448	(1,864)	205,584

9 Loans and Financing

Type of operation	Annual interest rates	Parent company		Consolidated	
		3/31/2008	12/31/2007	3/31/2008	12/31/2007
Working capital	104% to 105% CDI 0.66% to 3.29% +CDI	217,414	204,063	340,117	325,453
Unigafisa (SCP)	0.235% + CDI	300,000	-	300,000	-
National Housing System - SFH (*)	TR + 6.2 % up to 11%	95,758	66,157	194,017	98,700
Assumption of debt from downstream mergers	TR + 10% up to 12.0%	12,020	13,311	12,020	13,311
Other	TR + 6.2%	-	-	2,501	2,702
Total		625,192	283,531	848,655	440,166
Current portion		45,343	37,759	82,964	59,526
Noncurrent portion		579,849	245,772	765,691	380,640

Rates

CDI - Interbank Deposit Certificate
TR - Referential Rate

(*)

SFH - The Company has credit lines from the SFH, the resources from which are released throughout the construction of the related developments.

.Assumption of debt from downstream mergers corresponds to debts assumed from former shareholders with maturities up to 2013.

.Financing of Developments and Working Capital correspond to credit lines from financial institutions to raise the funds necessary for the ventures of the Company.

As guarantee to secure the loans and financing, the investors provided sureties, mortgages were given on the units, and credit rights were pledged.

(A free translation of the original in Portuguese)

**FEDERAL PUBLIC SERVICE
CVM – BRAZILIAN SECURITIES
COMMISSION
ITR – Quarterly Information
COMMERCIAL, INDUSTRIAL AND
OTHER**

**Corporate Legislation
Base Date – March 31, 2008**

**Unaudited
01.545.826/0001-07**

01610-1 GAFISA S/A

04.01 – NOTES TO QUARTERLY INFORMATION

In November 2007, the Company obtained loans (working capital) in the amount of R\$ 200,000 from first class financial institutions. Together with this operation, in order to minimize the risks of foreign exchange exposure of the loans, the Company signed swap contracts in the full amount of these debts, as described in the financial instruments note (Note 15).

On January 14, 2008, UniGafisa Participações e Empreendimentos Imobiliários SCP ("UniGafisa"), a special partnership, was formed with the purpose of holding interests in other companies, which, in turn, should have as their main purpose the development and undertaking of real estate developments.

UniGafisa started its operations with a paid up capital of R\$ 313,084 made up of 13,084,000 Class A quotas and 300,000,000 Class B quotas. The capital will be preferably used in the acquisition of equity investments and in the increase in the capital of some special purpose entities (SPEs).

UniGafisa's partners may opt to sell all of their Class B quotas to Gafisa should any of the clauses of its articles of association not be observed. Additionally, said option may be exercised at any time starting January 31, 2014 and totally exercised on December 18, 2017. The articles of association require the compliance with certain covenants, which include, among others, the maintenance of minimum levels of net indebtedness and balance of receivables. On March 31, 2008, the Company was in compliance with the aforesaid clauses.

The consolidated noncurrent installments on March 31, 2008 mature in 2009 (R\$ 306,822), 2010 (R\$ 71,889), 2011 (R\$ 33,198), 2012 and subsequently (R\$ 353,782) in the consolidated.

10 Debentures

In September 2006 the Company obtained approval for its Second Debenture Distribution Program, which enabled the offering of up to R\$ 500,000 in simple debentures, non-convertible into shares, of the subordinated type and/or secured and/or with general guarantee.

Under this Program, the Company issued a series of 24,000 debentures, corresponding to a total of R\$ 240,000, with the following features:

Program/issuances	Annual		Maturity	March 31, 2008	December 31, 2007
	Amount	remuneration			
Second/ 1 st issuance	240,000	CDI + 1.30%	September 2011	242,312	249,190

Current portion	2,312	9,190
Noncurrent portion, principal	240,000	240,000

27

(A free translation of the original in Portuguese)

**FEDERAL PUBLIC SERVICE
CVM – BRAZILIAN SECURITIES
COMMISSION
ITR – Quarterly Information
COMMERCIAL, INDUSTRIAL AND
OTHER**

**Corporate Legislation
Base Date – March 31, 2008**

01610-1 GAFISA S/A

**Unaudited
01.545.826/0001-07**

04.01 – NOTES TO QUARTERLY INFORMATION

In addition to the early maturity clauses, which are common in this type of operation, the Second Debenture Distribution Program establishes the compliance with certain covenants, which include, among others, the maintenance of minimum levels of net indebtedness, balance of receivables and early maturity clause in the event the Company obtains a risk classification lower than a predetermined level. On March 31, 2008, the Company was in compliance with the aforesaid clauses.

11 Other Accounts Payable

	Parent Company		Consolidated	
	3/31/2008	12/31/2007	3/31/2008	12/31/2007
Current accounts	221,688	200,232	-	-
Credit assignments payable	27,029	1,442	47,680	1,442
Acquisition of investments	37,750	48,520	37,750	48,521
Other accounts payable	2,548	10,197	16,160	13,603
Loans with partners in real estate ventures	-	-	6,849	8,255
Dividends SCP	5,470	-	5,470	-
Allowance for losses on investments	4,043	21,608	-	-
	298,528	281,999	113,909	71,821

The loans with partners in real estate ventures are related to amounts due under contracts involving the payment of current accounts, bearing the IGP-M variation, plus 12% per annum.

12 Provision for Contingencies

The Company and its subsidiaries and associated companies are parties in lawsuits and administrative proceedings at several courts and government agencies that arise from the ordinary course of business, involving tax, labor, civil and other matters. Management, based on information provided by its legal counsel analysis of the pending claims and, with respect to the labor claims, based on past experience regarding the amounts claimed, recognized a provision in an amount considered sufficient to cover the losses estimated for the lawsuits in progress.

The changes in the provision for contingencies are summarized below:

	Parent company	2008 Consolidated
Balance at December 31, 2007	3,668	21,262

Edgar Filing: Gafisa S.A. - Form 6-K

Additions	742	1,011
Reductions	(882)	(882)
Judicial deposits	(2,442)	(2,442)
Balance at March 31, 2008	1,086	18,949
Noncurrent portion	-	17,863
Current portion	1,086	1,086

28

(A free translation of the original in Portuguese)

**FEDERAL PUBLIC SERVICE
CVM – BRAZILIAN SECURITIES
COMMISSION
ITR – Quarterly Information
COMMERCIAL, INDUSTRIAL AND
OTHER**

**Corporate Legislation
Base Date – March 31, 2008**

01610-1 GAFISA S/A

**Unaudited
01.545.826/0001-07**

04.01 – NOTES TO QUARTERLY INFORMATION**(a) Tax, labor and civil lawsuits**

	Parent company		Consolidated	
	3/31/2008	12/31/2007	3/31/2008	12/31/2007
Labor claims	1,395	1,672	1,895	2,171
Civil lawsuits	2,133	1,996	2,460	2,323
Tax lawsuits	-	-	17,036	16,768
Judicial deposits	(2,442)	-	(2,442)	-
	1,086	3,668	18,949	21,262

The Company and its subsidiaries are parties in judicial lawsuits and administrative proceedings related to Excise Tax (IPI) and Value-added Tax on Sales and Services (ICMS) on two imports of aircraft in 2001 and 2005, respectively, under leasing agreements without purchase option. The chances of loss in the ICMS case are estimated by the attorneys that are handling it as: (i) probable in regard to the principal and interest, and (ii) remote in regard to the fine for noncompliance with ancillary obligation. The amount of the contingency estimated by the legal counsel as a probable loss in the aforesaid case amounts to R\$ 17,036 and is provided for in the financial statements as of March 31, 2008.

Furthermore, on March 31, 2008, the Company is aware of other lawsuits and risks, the outcome of which, based on the opinion of its legal counsel is a possible, but not probable, loss, amounting to approximately R\$ 66,295 (December 31, 2007 - R\$ 67,430), and for which the Company's management believes that the recognition of a provision for losses is not necessary.

From the total funds raised in the offering of the Company's shares in the New Market, R\$ 27,979 classified in the "Other - Judicial deposits" account in noncurrent, was retained in a "restricted deposit" account pursuant to a court order. The Company is appealing such decision on the grounds that the claim lacks merit. No provision was recognized in the quarterly information of March 31, 2008 based on the position of the Company's legal counsel.

(b) Obligations related to the completion of real estate developments

The Company undertakes to deliver real estate units to be built, in exchange for land acquired. The Company also undertakes to finish the units sold and abide by the laws that govern the civil construction industry, including obtaining licenses from the proper authorities.

(A free translation of the original in Portuguese)

**FEDERAL PUBLIC SERVICE
CVM – BRAZILIAN SECURITIES COMMISSION
ITR – Quarterly Information
COMMERCIAL, INDUSTRIAL AND OTHER**

**Corporate Legislation
Base Date – March 31, 2008
Unaudited
01.545.826/0001-07**

01610-1 GAFISA S/A

04.01 – NOTES TO QUARTERLY INFORMATION**13 Shareholders' Equity****(a) Capital**

On March 31, 2008, the Company's capital amounted to R\$ 1,221,971 (December 31, 2007 - R\$ 1,221,846), represented by 132,587,893 nominative common shares without par value (December 31, 2007 - 132,577,093 book-entry nominative common shares without par value), 3,124,972 of which were treasury shares (December 31, 2007 - 3,124,972 treasury shares).

In March 2008, the capital increase of R\$ 125, related to the stock option plan and the exercise of 10,800 common shares, was approved.

The changes in the number of shares are as follows:

	Common shares	Class A	Class F	Thousand shares Preferred shares Total
December 31, 2005	8,404	14,973	1,250	24,627
Conversion of preferred into common shares	16,223	(14,973)	(1,250)	-
Issuance of shares - Havertown	411	-	-	411
Stock split	50,075	-	-	50,075
Subtotal	75,113	-	-	75,113
Exercise of stock options	1,533	-	-	1,533
Public offering	26,724	-	-	26,724
December 31, 2006	103,370	-	-	103,370
Issuance of shares (Acquisition of AUSA)	6,359	-	-	6,359
Exercise of stock options	962	-	-	962
Public offering	18,761	-	-	18,761
December 31, 2007	129,452	-	-	129,452
Exercise of stock options	11	-	-	11

March 31, 2008	129,463	-	-	129,463
-----------------------	----------------	---	---	----------------

(b) Stock Option Plan

A total of five stock option plans are offered by the Company. The first plan was launched in 2000 and is managed by a committee that periodically creates new stock option plans, determining their general terms, which, among other things, (i) define the length of service that is required for employees to be eligible to the benefits of the plans, (ii) select the employees that will be entitled to participate, and (iii) establish the purchase prices of the preferred shares to be exercised under the plans.

30

(A free translation of the original in Portuguese)

**FEDERAL PUBLIC SERVICE
CVM – BRAZILIAN SECURITIES COMMISSION
ITR – Quarterly Information
COMMERCIAL, INDUSTRIAL AND OTHER**

**Corporate Legislation
Base Date – March 31, 2008
Unaudited
01.545.826/0001-07**

01610-1 GAFISA S/A**04.01 – NOTES TO QUARTERLY INFORMATION**

To be eligible for the plans, participant employees are required to contribute with an amount equivalent to 10% of the value of total benefited options on the date the option is granted and, additionally, for each of the following five years, with an amount equivalent to 18% of the price of the grant per year. The price of the grant is adjusted according to the variation in the IGP-M, plus annual interest of 6%. The stock option may be exercised in one to three years subsequent to the initial date of the work period established in each of the plans. The shares are usually available to employees over a period of ten years after their contribution.

The Company may decide to issue new shares or transfer the treasury shares to the employees in accordance with the clauses established in the plans. The Company has the preemptive right to refuse the purchase of the shares issued under the plans in the event of dismissals and retirement.

In such case, the amounts advanced are returned to the employees, in certain circumstances, in amounts that correspond to the greater of the market value of the shares (as established in the rules of the plans) or the amount paid plus monetary correction based on the variation in the IGP-M and annual interest of 6%.

14 Deferred Income Tax and Social Contribution

	3/31/2008	Parent company 12/31/2007	3/31/2008	Consolidated 12/31/2007
Assets				
Temporary differences	28,706	32,038	39,039	39,482
Tax losses and social contribution tax loss carryforwards	22,337	12,499	22,337	12,499
Tax benefit arising from the downstream mergers	8,562	9,341	8,562	9,341
	59,605	53,878	69,938	61,322
Liabilities				
Differences between income taxed on the cash and accrual bases	55,888	42,501	77,956	63,268

The Company calculates its taxes based on the recognition of results proportionally to the receipt of the contracted sales, in accordance with the rules determined by the Federal Revenue Service (SRF) Instruction 84/79, which differs from the calculation of the accounting revenues based on the costs incurred versus estimated cost. The taxation will occur over an average period of two years, considering the term for the receipt of the sales and the completion of the corresponding construction.

On March 31, 2008, the Company had tax losses and social contribution tax loss carryforwards totaling R\$ 113,728 (December 31, 2007 - R\$ 104,147), with corresponding tax benefits of R\$ 38,668 (December 31, 2007 - R\$ 35,410). The net tax effect of the tax losses and social contribution tax loss carryforwards recorded as an asset in the Parent Company totals R\$ 22,337 on March 31, 2008 (December 31, 2007 - R\$ 12,499).

(A free translation of the original in Portuguese)

**FEDERAL PUBLIC SERVICE
CVM – BRAZILIAN SECURITIES COMMISSION
ITR – Quarterly Information
COMMERCIAL, INDUSTRIAL AND OTHER**

**Corporate Legislation
Base Date – March 31, 2008
Unaudited
01.545.826/0001-07**

01610-1 GAFISA S/A

04.01 – NOTES TO QUARTERLY INFORMATION

The Company did not record the deferred income tax asset on the tax losses and social contribution tax loss carry forwards of its subsidiaries which adopt the taxable income system and do not have a history of taxable income for the past three years.

Based on the projections of generation of future taxable income of the Parent Company, the estimated recovery of the deferred income tax and social contribution asset over the ten-year period is as follows: 2008 - R\$ 6,530, 2009 - R\$ 39,502 and 2010 - R\$ 19,012.

The projections of future taxable income consider estimates that are related, among other things, with the Company's performance and the behavior of the market in which it operates, as well as certain economic factors. The actual amounts could differ from these estimates.

We present below the reconciliation of the effective nominal rate:

	3/31/2008	Consolidated 12/31/2007
Income before income tax and social contribution and statutory profit sharing	55,818	155,199
Income tax calculated at the standard rate - 34%	(18,978)	(52,768)
Net effect of subsidiaries taxed based on the presumed profit system	8,736	16,194
Tax losses offset	510	6,125
Other permanent differences	(99)	(497)
Income tax and social contribution expense	(9,831)	(30,946)

The reconciliation of the effective nominal rate in the Parent Company mainly arises from the equity in results of investees and the balance of tax losses and social contribution tax loss carry forwards of prior years used during the current year.

15

Financial Instruments

The Company participates in operations involving financial instruments, all of which are recorded in the balance sheet, for the purposes of meeting its operating needs and reducing its exposure to credit, currency and interest rate risks. These risks are managed by control policies, specific strategies and determination of limits, as follows:

32

(A free translation of the original in Portuguese)

**FEDERAL PUBLIC SERVICE
CVM – BRAZILIAN SECURITIES COMMISSION
ITR – Quarterly Information
COMMERCIAL, INDUSTRIAL AND OTHER**

**Corporate Legislation
Base Date – March 31, 2008
Unaudited
01.545.826/0001-07**

01610-1 GAFISA S/A

04.01 – NOTES TO QUARTERLY INFORMATION

(a) Considerations on risks

(i) Credit risk

The Company restricts its exposure to credit risks associated with banks and financial investments, investing in first class financial institutions and with remuneration in short-term securities.

In regard to accounts receivable, the Company restricts its exposure to credit risks through sales to a broad base of customers and ongoing credit analysis. Additionally, there is no history of losses due to the existence of liens for the recovery of its products in the cases of default during the construction period.

On March 31, 2008, the Company's management did not deem necessary the recognition of a provision to cover losses on the recovery of receivables related to finished real estate. In the same period, there was no material concentration of credit risk associated with customers.

(ii) Currency risk

The Company participates in operations involving derivative financial instruments for the purposes of protecting itself against fluctuations in foreign exchange rates.

In the period ended March 31, 2008, and the year ended December 31, 2007, the amount of R\$ 8,952 and R\$ 1,070, respectively, related to the net positive (negative) result from the swap operations of currency and interest rates was recognized in "financial income (expenses)", allowing for the correlation between the effect of these operations with the fluctuation in foreign currencies in the Company's balance sheet.

The nominal value of the swap contracts is R\$ 200,000 on March 31, 2008. The unrealized gains (losses) of these operations are recorded in the balance sheet as follows:

(A free translation of the original in Portuguese)

**FEDERAL PUBLIC SERVICE
CVM – BRAZILIAN SECURITIES COMMISSION
ITR – Quarterly Information
COMMERCIAL, INDUSTRIAL AND OTHER**

**Corporate Legislation
Base Date – March 31, 2008
Unaudited
01.545.826/0001-07**

01610-1 GAFISA S/A**04.01 – NOTES TO QUARTERLY INFORMATION**

Gains and losses accounted for per contract:

Rate swap contracts - (US dollar and yen for CDI)	Brazilian reais Nominal value	Original index	Brazilian reais		
			Percentage Swaps	Net unrealized gains from derivative instruments	Market value (unrecorded)
Banco ABN Amro Real S.A.	100,000	yen + 1.4%	105% CDI	9,778	8,336
Banco Votorantim S.A.	100,000	US dollar + 7%	104% CDI	(826)	(1,231)
	200,000			8,952	7,105

The Company does not make sales denominated in foreign currency.

(iii) Interest rate risk

The interest rates on loans and financing are mentioned in Note 9. The interest rates contracted on financial investments are mentioned in Note 4. Accounts receivable from finished real estate, as mentioned in Note 5, are subject to interest of 12% a year, applied on a pro rata temporis basis.

Additionally, as mentioned in Notes 7 and 11, a significant portion of the balances maintained with related parties and the balances maintained with partners in the ventures are not subject to financial charges.

(b) Valuation of financial instruments

The main financial instruments receivable and payable are described below, as well as the criteria for their valuation:

(i) Cash and banks and financial investments

The market value of these assets does not significantly differ from the amounts presented in the quarterly information (Note 4). The rates agreed reflect usual market conditions.

The financial investments are recorded based on effectively contracted remuneration rates as the Company intends to maintain these investments until they are redeemed.

(A free translation of the original in Portuguese)

**FEDERAL PUBLIC SERVICE
CVM – BRAZILIAN SECURITIES COMMISSION
ITR – Quarterly Information
COMMERCIAL, INDUSTRIAL AND OTHER**

**Corporate Legislation
Base Date – March 31, 2008
Unaudited
01.545.826/0001-07**

01610-1 GAFISA S/A

04.01 – NOTES TO QUARTERLY INFORMATION

(ii) Loans and financing and debentures

Financing is recorded based on the contractual interest rates of each operation. For the calculation of their market value, interest rate estimates were used for contracting operations with similar terms and amounts. The terms and conditions of loans and financing and debentures obtained are presented in Notes 9 and 10.

The amount for the settlement of these liabilities does not significantly differ from the amounts presented in the quarterly information.

16 Insurance

Gafisa S.A. and its subsidiaries maintain insurance policies against engineering risk, barter guarantee, guarantee for the completion of the work and civil liability related to unintentional personal damages caused to third parties and material damages to tangible assets, as well as against fire hazards, lightning strikes, electrical damages, natural disasters and gas explosion. The contracted coverage is considered sufficient by management to cover possible risks involving its assets and/or responsibilities.

17 Changes in Brazilian Corporate Law

On December 28, 2007, Law 11,638/07 was enacted, amending the Corporate Law regarding certain accounting practices, bookkeeping and preparation of the financial statements as from the year ending December 31, 2008.

We present below a summary of the main issues included in the new Law that may influence the Company's financial statements:

.Permanent assets will include the subgroup "Intangible assets" and formally include the intangible rights to be used by the Company or exercised for this purpose, including the acquired goodwill. Property and equipment will include the assets arising from operations in which benefits, control and risk are transferred, regardless of whether ownership is transferred. Deferred charges are restricted to preoperating expenses and incremental restructuring expenses.

.Creation of a new subgroup in shareholders' equity called "Net asset valuation adjustment", which will include the corresponding effects of the foreign exchange variation on equity investments abroad when the functional currency of the investee is different from that of the parent company, and of the increases or reductions in the value attributed to asset and liability elements as a result of their valuation at market price.

(A free translation of the original in Portuguese)

**FEDERAL PUBLIC SERVICE
CVM – BRAZILIAN SECURITIES COMMISSION
ITR – Quarterly Information
COMMERCIAL, INDUSTRIAL AND OTHER**

**Corporate Legislation
Base Date – March 31, 2008
Unaudited
01.545.826/0001-07**

01610-1 GAFISA S/A

04.01 – NOTES TO QUARTERLY INFORMATION

.Introduction of the "Adjustment to present value" concept for long-term asset and liability operations and material short-term ones.

.Mandatory periodic analysis to verify the level of recovery of assets recorded in property and equipment, intangible assets and deferred charges.

.Change in the treatment of tax incentives, which will be now recorded in income (expenses), although they may be subsequently appropriated to a tax incentive revenue reserve and excluded from the basis of compulsory minimum dividends.

.In merger, combination or spin-off operations, all assets and liabilities of the merged, combined or spun-off company must be identified, evaluated and accounted for at market value, provided that the operations are carried out between unrelated parties and result in the effective transfer of control.

Due to the fact that these changes have been recently announced and some still depend on the regulation of regulatory agencies to be applied, the Company's management is still evaluating the effects that such changes could have on its Financial Statements and the results for the following years.

(A free translation of the original in Portuguese)

**FEDERAL PUBLIC SERVICE
CVM – BRAZILIAN SECURITIES COMMISSION**